



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

"To Enrich Lives Through Effective And Caring Service"

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March 05, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF GRAND PARK'S
RENTAL RATES FOR FILMING AND EVENTS
(FIRST DISTRICT)
(3 VOTES)**

SUBJECT

Approval of the recommended actions will lower the current filming rental rates and retain the current event rates at Grand Park.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve the revised Filming Rental Rates at Grand Park, administered by the Performing Arts Center of Los Angeles County, pursuant to the Maintenance, Operating, and Programming Agreement between the County of Los Angeles and the Performing Arts Center of Los Angeles County.
2. Authorize the Chief Executive Officer, or his designee, to review and revise, as needed, the Filming and Event Rental Rates at Grand Park.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will significantly reduce the current filming rental rates and allow the Performing Arts Center of Los Angeles County (Music Center) to administer the revised rates, to be re-evaluated by the Chief Executive Officer (CEO), and revised as needed.

Background

On May 29, 2012, the Board authorized the CEO to execute the Maintenance, Operating, and Programming Agreement with the Music Center for the programming, operations and maintenance of Grand Park (Park), which includes establishing and administering filming and event rental rates for the Park.

Beginning July 2012, the Park began a phased opening of each block, and it was fully open to the public in October 2012. The Park is designed to serve as an active, welcoming setting for daily activities and to create a civic gathering place for the community with cultural and ethnic celebrations, festivals, holiday events, political gatherings and the like.

Current Film and Event Rental Rates

On September 21, 2012, the CEO submitted a memo to the Board establishing the Park's filming and event rental rates, taking effect on October 1, 2012. The Park's current filming and event rental rate structure is described below:

- A. Film location rental fees are \$20,000 per block;
- B. Photography location rental rates are at \$5,500 per block; and
- C. Event space rentals are categorized by corporate and commercial rates, non-profit and individual rates, and preferred rates that are offered to government agencies, producing partners, and Music Center and resident companies. Event space rentals range from \$750 to \$25,000 depending on the size and location of the event.

In October and November 2012 and February 2013, the Board requested that the CEO review the Park's filming and event rental rates, including photography location rentals. CEO staff, the Park Director, and the Music Center presented the rental rates to the Grand Park Advisory Board and met with representatives from the film industry (Warner Brothers, Teamster Local 399, CBS TV, and Motion Picture Association of America), FilmL.A., California Film Commission, and other County departments to discuss the current rental rates at the Park. Alternative rate structures were discussed, as well as other filming-friendly options.

Proposed Revised Filming and Related Rental Rates

The Park spans four separate blocks each with its own unique characteristics. The County and Music Center are committed to an open, inclusive, welcoming, safe and enjoyable Park for the benefit of all. The County's and the Park's objective is to ensure that the Park is available and accessible to the public. The challenge is finding a balance for events and filming rentals, that allow the Park to be utilized as a Park first and foremost.

Non-profit organizations operating County-owned facilities have facility use rates for filming ranging from \$1,500 to \$17,000 per day. County owned facilities similar to the Park like the South Coast Botanic Gardens, Descanso Gardens, and Virginia Robinson Gardens, managed by the California Arboretum Foundation, have filming rental rates ranging from \$1,500 to \$6,400 per day.

Review of non-County facilities that have similar or unique contributions to filming locations include the Griffith Observatory, owned and operated by the City of Los Angeles Department of Recreation and Parks, and the The Huntington Library, Art Collections, and Botanical Gardens, a private non-profit institution. Fees for filming at the Griffith Observatory begin at \$10,000 for the exterior of the

building only, while commercial still photography is set at \$2,000. The Huntington Library set their filming fees at \$11,000 per day.

Dependent on date, time, and location, the proposed revised filming rental rates at the Park will be decreased by this action by at least 74 percent for filming locations, and at least 27 percent for commercial photography locations (Attachment I) from the current rates. Event space rentals remain the same. The proposed filming rental rates are summarized below:

A. Filming location rental rates range from \$1,920 to \$5,120 depending on the block selected, with a maximum cost of \$12,000 for all blocks during off peak hours; and

B. Photography location rental rates range from \$800 to \$4,000, depending on commercial or non-commercial use.

The proposed revised film rental rate structure captures the unique cityscape surroundings, expansive views of City Hall, and its flexible use. The filming and event rental rates do not include costs for security, site management, and utilities, which are charged separately.

Park staff will provide filming and event rental information in their annual report to the CEO detailing the frequency, total number, and revenue generated from filming and event rentals. The CEO may review the filming and event rental rates at the Park and revise the rates, as needed.

Implementation of Strategic Plan Goals

Approval of the proposed rates will be consistent with the County's Strategic Plan Goal of Fiscal Sustainability (Goal 2) by coordinating with public and private entities resulting in reasonable rates.

FISCAL IMPACT/FINANCING

The revenue collected from filming and event rentals will be deposited to the Grand Park Operating Budget (Organization Number 28200) to be allocated for programming.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County is authorized by the provisions of Government Code Section 26227 to contract with a non-profit corporation to operate programs to meet the social needs of the County which the Board of Supervisors determines to be in the best interest of the County and the general public.

The Maintenance, Operating, and Programming Agreement between the County of Los Angeles and the Music Center provides for the Music Center, as the operator, to perform the County's obligations to provide the following services: maintenance, housekeeping, security, public programming, supervision of all permitted uses, and the operations of the Park.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

No impact on current services.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a long horizontal line extending to the right.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
DKM:CF:mda

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Grand Park Advisory Board
Grand Park
Performing Arts Center of Los Angeles County

Grand Park Film/Photography Location Rental Rates					
Current Rates	as of 10/01/2012				
Type of Shoot	Rate per block				
Film	\$ 20,000				
Photography	\$ 5,500				
Proposed Film Location Rental Rates (14 hours)					
Space	April - October		November- March		4 Hours Anytime*
	9am-9pm	9pm-9am	9am-9pm	9pm-9am	
Blocks 1 and 2**	\$ 6,400	\$ 5,120	\$ 5,760	\$ 5,120	\$ 2,240
Block 1	\$ 5,120	\$ 4,096	\$ 4,608	\$ 4,096	\$ 1,792
Block 2	\$ 3,000	\$ 2,400	\$ 2,700	\$ 2,400	\$ 1,050
Block 3	\$ 2,400	\$ 1,920	\$ 2,160	\$ 1,920	\$ 840
Block 4	\$ 4,500	\$ 3,600	\$ 4,050	\$ 3,600	\$ 1,575
All Blocks***		\$ 12,000	\$ -	\$ 12,000	\$ -
Proposed Photography Location Rental Rates (6 hours)					
Space	April - October		November- March		2 Hours Anytime
	9am-9pm	9pm-9am	9am-9pm	9pm-9am	
Commercial					
Block 1	\$ 4,000	\$ 3,200	\$ 3,600	\$ 3,200	\$ 1,400
Block 2	\$ 2,000	\$ 1,600	\$ 1,800	\$ 1,600	\$ 700
Block 3	\$ 2,000	\$ 1,600	\$ 1,800	\$ 1,600	\$ 700
Block 4	\$ 2,000	\$ 1,600	\$ 1,800	\$ 1,600	\$ 700
Non - Commercial					
Block 1	\$ 2,000	\$ 1,600	\$ 1,800	\$ 1,600	\$ 700
Block 2	\$ 1,000	\$ 800	\$ 900	\$ 800	\$ 350
Block 3	\$ 1,000	\$ 800	\$ 900	\$ 800	\$ 350
Block 4	\$ 1,000	\$ 800	\$ 900	\$ 800	\$ 350
* 4 Hours Anytime is reserved for small film shoots					
**Blocks 1 and 2 are treated as one rental. Rate applies to both blocks and cannot be separated.					
***All Blocks are treated as one rental for up to 14 hours. Rate applies to all blocks, and cannot be separated.					
Film/Photo Shoot Rate Assumptions					
1. All location space rentals are subject to availability.					
2. Additional time will incur additional charges.					
3. Thirty percent security deposit is required.					
4. Mandatory: Site Manager, Security, and Union Call charges (if applicable) are an additional cost.					
5. Add-on charges: Housekeeping, Usher staff, Engineering, and Fountain Operation will apply on a case-by case basis.					
6. Special circumstances may be considered.					

GRAND PARK EVENT RENTAL RATES

EVENT SPACE RENTAL RATES			
Space*	Corporate & Commercial Rates	Non-Profit & Individual Rates	Preferred Rates**
Overlook Plaza	\$2,000 - 5,000	\$1,000	\$750
Fountain Plaza	N/A	N/A	N/A
Olive Court	\$2,000 - 5,000	\$1,000	\$750
Performance Lawn***	\$5,000 - 8,000	\$2,500	\$1,000
Community Terrace	\$2,000 - 5,000	\$1,000	\$750
Event Lawn***	\$15,000 - 25,000	\$5,000	\$2,500

* Smaller spaces not included on this list may be available for rent

** Preferred Rates are offered to Government Agencies, Producing Partners, and Music Center/Resident Companies

***10% of gross ticket sales, but not less than the rental rate amount indicated, and exclusive of facility users fee, if applicable